

REMINDER: SHARS IEP Ratio – Cost Report Review Unit (CRRU) Desk Reviews

The Health and Human Services Commission (HHSC) conducts annual desk reviews of all School Health and Related Services (SHARS) Cost Reports submitted by participating Texas Independent School District providers. The Texas Administrative Code has specific requirements that the Cost Report Review Unit (CRRU) will adhere to when conducting the desk audits, to ensure that providers are compliant with state and federal regulations. The HHSC Rate Analysis Department (HHSC-RAD/CRRU) is required to strictly enforce these regulations, in accordance with [1 TAC 355.8443](#).

Providers whose cost reports are *in the process* of being reviewed by CRRU:

Providers that are currently being contacted by CRRU staff must have sufficient documentation to support their IEP ratio readily available when the auditors contact your district. Please remember that:

- Per 1 TAC 355.8443, the IEP Ratio must be based upon *a comparison of the total number of Medicaid students with IEPs requiring direct medical services, to the total number of students with IEPs requiring direct medical services for the reporting period* and should not be based on a snapshot from the reporting period.
- The reporting period for the IEP ratio is based upon the full cost report period. Documentation to verify the IEP Ratio must be provided to HHSC-RAD/CRRU desk reviewers.

Providers whose initial desk review by CRRU *has been completed*:

Providers that completed the desk review process with CRRU and did not provide sufficient documentation for their IEP Ratios to CRRU auditors may have noticed that their IEP Ratios have been zeroed out. If this applies to your district:

- Please be prepared to supply documentation that verifies that your IEP Ratio data is based on the cost reporting period, and not on a snapshot or time period that does not represent the entire cost reporting period.
- The Post Audit Review phase will begin on November 1, 2019, and HHSC-RAD staff will be requesting supporting documentation from districts during that time as described above.

If you have any questions regarding this information, please contact the SHARS rate analysts at RA_SHARS@hhsc.state.tx.us or at (512) 730-7400.